

BEFORE
THE PUBLIC SERVICE COMMISSION OF ✓
SOUTH CAROLINA
DOCKET NO. 92-572-C - ORDER NO. 93-603
JULY 7, 1993

IN RE: Application of South Carolina Public) ORDER
Communications Association for) DENYING
Implementation of Intrastate Dial-Around) PETITION FOR
Compensation.) RECONSIDERATION

This matter is before the Public Service Commission of South Carolina (the Commission) on AT&T Communications of the Southern States, Inc.'s (AT&T's) Petition for Reconsideration of Order No. 93-468 (June 8, 1993). Order No. 93-468 approved \$3.00 per month per privately-owned coin or coinless operated telephone (COCOT) as compensation to payphone providers for carrier access code calls.¹ The South Carolina Public Communications Association (SCPCA) has filed a return opposing the Petition for Reconsideration. For reasons addressed below, the Commission denies AT&T's Petition for Reconsideration.

AT&T first contends that the record does not support the SCPCA's argument that there is a need for dial-around compensation. The Commission disagrees.

1. The Commission recognized that a per call compensation method would be most accurate but that such a method was not technically feasible because local exchange companies (LECs), interexchange companies (IXCs), and payphone providers are currently unable to determine which calls are not directed to the presubscribed carrier.

During the hearing, Gene Stewart, President of SCPCA, testified that payphone providers receive no revenue from dial-around calls even though they provide the capital investment for the COCOT, incur installation and maintenance costs, and pay the recurring monthly charge to LECs for use of the local loop and switch. TR. Vol. 1, p. 20, lines 24-26; p. 40, line 14- p. 43, line 1. Mr. Stewart testified that both the LEC and IXC receive revenue from payphones from which dial-around calls are made and that the payphone provider should likewise receive compensation. TR. Vol. 1, p. 8-14; p. 43, lines 1-3. Moreover, Mr. Stewart testified that the Federal Communications Commission (FCC) recognized that the IXC receives value by the placing of dial-around calls over COCOTs and developed a methodology based on this value to determine the appropriate amount of interstate dial-around compensation. TR. Vol. 1, p. 32, line 14- p. 33, line 12. Therefore, the Commission concludes that the substantial evidence of record supports its finding that a need exists for intrastate dial-around compensation.

AT&T further contends that the dial-around compensation rate ordered by the Commission is excessive and not supported by the testimony of record. The Commission disagrees.

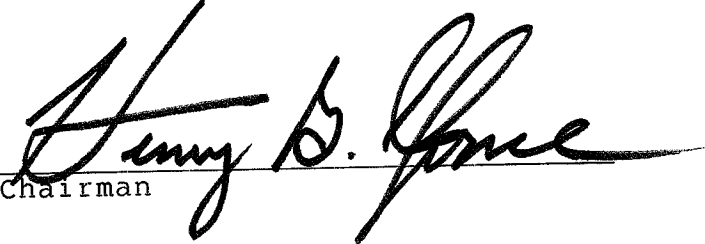
The testimony of record presented dial-around compensation rates which ranged from \$0.00 to \$14.45 per month per phone. The Commission determined that \$3.00 per month per phone was an appropriate dial-around compensation rate.

As recognized by the South Carolina Supreme Court in Seabrook

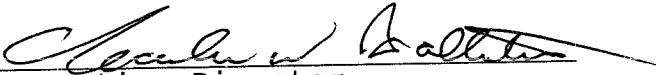
Island Property Owners Association v. South Carolina Public Service Commission, 303 S.C. 493, 401 S.E.2d 672 (1991), this Commission is not required to adopt a particular amount of relief specifically recommended during a proceeding. Instead, this Commission has the discretion to establish an appropriate amount of relief so long as the relief is supported by the evidence of record. The record from this proceeding clearly supports a compensation rate of \$3.00 per month per phone. Accordingly, the Commission denies the Petition for Reconsideration.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)